

HORIZON SECURITIES LIMITED

Financial Statements

For the Half Year Ended December 31, 2021

HORIZON SECURITIES LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2021

Assets	Note	Dec-21 Rupees	Jun-21 Rupees
Non current assets			
Property, plant and equipment	5	2,498,622	2,681,262
Right-of-use assets		25,218,879	7,256,778
Intangible asset		2,500,000	2,500,000
Long term investment	6	20,533,912	20,533,912
Long term Security deposits		1,680,000	1,680,000
		<u>52,431,413</u>	<u>34,651,952</u>
Current assets			
Trade debts - net	7	29,444,884	27,176,167
Investment in margin financing & margin trading		4,991,924	13,217,099
Short term deposit		23,084,804	25,573,593
Advances and other receivables		68,093,860	67,765,034
Income tax refundable		4,402,325	4,068,050
Short term investments	8	492,288	744,328
Cash and bank balances		33,155,240	36,167,875
		<u>163,665,325</u>	<u>174,712,146</u>
Total Assets		<u>216,096,738</u>	<u>209,364,098</u>
Equity and Liabilities			
Share Capital and Reserves			
Authorised capital		200,000,000	200,000,000
Issued, subscribed and paid-up capital		139,650,000	139,650,000
Capital Reserve		(7,661,278)	(7,661,278)
Unappropriated profit		30,741,363	29,137,479
		<u>162,730,085</u>	<u>161,126,202</u>
Liabilities			
Non current liabilities			
		16,246,913	5,204,528
Current liabilities			
Trade and other payables	9	32,755,178	41,199,855
Current portion of non-current liabilities		4,364,562	1,833,514
		<u>37,119,740</u>	<u>43,033,369</u>
Total Liabilities		<u>37,119,740</u>	<u>43,033,369</u>
Contingencies and commitments	11	0	0
Total Equity and Liabilities		<u>216,096,738</u>	<u>209,364,098</u>

The annexed notes form an integral part of these financial statements.


Chief Executive


Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2021

	Half year ended		Quarter ended on	
	Dec-21 Rupees	Dec-20 Rupees	Dec-21 Rupees	Dec-20 Rupees
Commission Income	9,061,091	17,627,343	3,963,260	7,955,661
Gain/(Loss) on sale of short term investments - net	(155,838)	325,481	(177,928)	
Fair value (loss) / gain on remeasurement of investments through profit or loss	(72,040)	8,820	(27,670)	7,515
Dividend Income	788,577	617,782	776,577	615,782
Other income	8,850,440	4,368,326	416,020	3,834,929
	18,472,229	22,947,752	4,950,259	12,413,887
Administrative and operating expenses	(15,739,683)	(13,619,642)	(6,678,012)	(6,235,215)
Finance cost	(1,128,662)	(637,772)	(725,406)	(313,338)
Profit/(Loss) before taxation	1,603,884	8,690,338	(2,453,159)	5,865,334
Taxation				
Current				
Prior year				
Profit/(Loss) after taxation	1,603,884	8,690,338	(2,453,159)	5,865,334

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Chief Executive


Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AIDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2021

	Half year ended		Quarter ended on	
	Dec-21 Rupees	Dec-20 Rupees	Dec-21 Rupees	Dec-20 Rupees
Profit/(Loss) after taxation	1,603,884	8,690,338	(2,453,159)	5,865,334
Other Comprehensive Income				
Items that may be reclassified subsequently to profit and loss account				
Fair value gain on remeasurement of available for sale investment	0	0	0	0
Total comprehensive income/ (loss) for the year	<u>1,603,884</u>	<u>8,690,338</u>	<u>(2,453,159)</u>	<u>5,865,334</u>

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Chief Executive


Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY(UN-AUDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2021

	Share Capital	Capital Reserve	Revenue Reserve	
		Fair value (loss) / gain on remeasure- ment of available- for-sale investments	Unappr- opriated profit	Total Equity
----- Rupees -----				
Balance as at June 30, 2020	139,650,000	(8,589,651)	18,650,453	149,710,802
Total comprehensive (loss) / income for the six months ended December 31, 2020				
Profit for the six months	-	-	8,690,338	8,690,338
Other comprehensive income	-	-	-	-
Balance as at December 31, 2020	139,650,000	(8,589,651)	27,340,791	158,401,140
Balance as at June 30, 2021	139,650,000	(7,661,278)	29,137,479	161,126,201
Total comprehensive (loss) / income for the six months ended December 31, 2021				
Profit for the six months	-	-	1,603,884	1,603,884
Other comprehensive income	-	-	-	-
	-	-	1,603,884	1,603,884
Balance as at December 31, 2021	139,650,000	(7,661,278)	30,741,363	162,730,085

The annexed notes form an integral part of these financial statements.


Chief Executive


Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2021

	Dec-21 Rupees	Dec-20 Rupees
Cash flow from operating activities		
Profit/(Loss) before taxation	1,603,884	8,690,338
Adjustments for non-cash charges and other items:		
Depreciation	2,475,170	1,399,134
Accounting Gain on sale of Asset		(3,245,179)
Fair value loss / (gain) on remeasurement of investments through profit or loss	72,040	(8,820)
Reversal of Impairment allowances for expected credit losses	(8,000,000)	
Finance cost	1,128,662	637,772
Profit/(Loss) before working capital changes	(2,720,244)	7,473,245
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets:		
Trade receivables	5,731,283	192,386,244
Investment in Financing	8,225,175	(2,972,285)
Short term deposits	2,488,789	
Advances and prepayments	(328,826)	(35,270,552)
Short term investments - net	180,000	1,602,238
(Decrease) / increase in current liabilities:		
Trade payables & other Payables	(8,444,677)	(130,619,425)
	7,851,744	25,126,220
Cash used in operations	5,131,500	32,599,465
Income tax paid	(334,276)	(283,759)
Net cash used in operating activities	4,797,224	32,315,706
Net cash (used in) / generated from investing activities - fixed capital expenditure	(38,500)	(222,205)
Cash flow from financing activities		
Lease finances - net	(6,642,697)	(607,068)
Finance cost paid	(1,128,662)	(637,772)
Net cash (used in) / generated from financing activities	(7,771,359)	(1,244,840)
Net (decrease) / increase in cash and cash equivalents	(3,012,635)	30,848,661
Cash and cash equivalents - at beginning of the period	36,167,875	31,149,606
Cash and cash equivalents - at end of the period	33,155,240	61,998,266

The annexed notes form an integral part of these financial statements.


Chief Executive


Director

HORIZON SECURITIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2021

1. LEGAL STATUS AND OPERATIONS

Horizon Securities Limited (the Company) was incorporated in Pakistan on January 08, 2007 as a Single Member Company under the Companies Ordinance, 1984. The Company was incorporated pursuant to the corporatisation policy of the Securities and Exchange Commission of Pakistan to enable the individual members of Stock Exchanges to transfer their membership along with all entitlements related thereto to a corporate entity. The status of the Company was first converted into a Private Limited Company with effect from May 27, 2011 and then a Public Limited Company with effect from June 27, 2011.

The Company is a Trading Right Entitlement Certificate holder of Pakistan Stock Exchange Limited and registered with SECP in Trading and Slef Clearing Category. The Company is principally engaged in shares brokerage services. The Company's registered office is located at 2nd Floor, Plaza 79-A, Banker Cooperative Housing Society, Lahore.

2 Basis of measurement

2.1 Statement of compliance

This condensed interim financial report of the company for the six months period ended December 31, 2021 has been prepared in accordance with the requirements of the International Accounting/Financial Reporting Standard and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements are unaudited. These condensed interim financial statements do not include all of the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2021.

2.2 Functional and presentation currency

These financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency. All financial information presented in Pak Rupees has been rounded to the nearest to rupees unless otherwise stated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2021.

4 ESTIMATES

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2021.

5 PROPERTY, PLANT AND EQUIPMENT-OWNED

	(Un-Audited) Dec 31 2021 Rupees	(Audited) June 30, 2021 Rupees
Opening Cost	10,136,126	10,308,288
Addition during the period	38,500	281,705
Disposals during the period	0	(7,254,821)
Accumulated Depreciation	(7,676,004)	(653,910)
	<u>2,498,622</u>	<u>2,681,262</u>

	(Un-Audited) Dec 31 2021 Rupees	(Audited) June30, 2021 Rupees
6 LONG TERM INVESTMENTS		
LSE Financial Services Limited 843,975 ordinary shares of Rs.10 each	20,533,912	19,605,539
Adjustment on remeasurement to fair value	-	928,373
	<u>20,533,912</u>	<u>20,533,912</u>
7 TRADE DEBTS		
Trade Debts- Gross	37,404,205	43,130,962
Less Provision for doubtful debts	<u>(7,959,322)</u>	<u>(15,954,795)</u>
	<u>29,444,884</u>	<u>27,176,167</u>
8 SHORT TERM INVESTMENT		
At fair value through profit or loss		
Investment in Listed Securities-At Cost	494,350	692,350
Unrealized gain/(loss) on re-measurement of investments	(41,680)	12,360
Mutual Fund	39,618	39,618
Carrying value	<u>492,288</u>	<u>744,328</u>
9 TRADE AND OTHER PAYABLES		
Payable to Clients	27,486,465	38,131,968
Payable to NCCPL	2,623,721	595
Accrued and other Payables	<u>2,644,992</u>	<u>3,067,292</u>
	<u>32,755,178</u>	<u>41,199,855</u>

10 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the Annual Financial Statements of the Company as at and for the year ended 30 June 2021

11 CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies as reported in the annual financial in the annual financial statements of the statements for the year ended June 30, 2021

12 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on 25-02-2022

13 GENERAL

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison; however, no material re-arrangements have been made in these financial statements.


Chief Executive


Director